



State of California

# Employment Training Panel

Arnold Schwarzenegger, Governor

January 24, 2008

C. Steve McAdams  
Vice President of Human Resources  
Georgia-Pacific Corporation  
133 Peachtree Street  
Atlanta, GA 30303

Dear Mr. McAdams:

RE: **FINAL MONITORING VISIT REPORT** for Georgia-Pacific Corporation – ET06-0217

<b>Date of the Visit:</b>	01/11/08
<b>Beginning/Ending Time:</b>	10:00 a.m. – 11:40 a.m.
<b>Date of Last Visit:</b>	05/24/07
<b>Visit Location:</b>	Buena Park
<b>Persons in attendance:</b>	Kelley Garcia, Human Resources Manager, Georgia-Pacific Chris Mangels, Training Funding Partners (via teleconference) Mark Reeves, ETP Analyst
<b>Action Required:</b>	No

## **CONTRACT INFORMATION:**

<b>Term of Agreement:</b>	12/28/05 – 12/27/07	<b>Agreement Amount:</b>	\$680,394
<b>Type of Trainee:</b>	Retrainee	<b>No. to Retain:</b>	1,342
<b>Date Training must be completed:</b>	09/27/07	<b>Range of Hours:</b>	24 - 73
		<b>Weighted Ave. Hours:</b>	39

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ETP (04/15/05)

**PROJECT STATUS PROVIDED BY THE CONTRACTOR:**

<b>Trainees Started Training:</b>	390	<b>Completed Training:</b>	55
<b>Dropped Following Enrollment:</b>	335	<b>Completed Retention:</b>	55
<b>Completed Minimum Hours for reimbursement:</b>	55	<b>In Retention Period:</b>	0

**FINAL REPORT SUMMARY:**

- ***History of Agreement***

Training began on February 2, 2006 and project staff reported that all training was completed as of September 20, 2007, which allows for the 90-day retention period to be completed within the term ending date of December 27, 2007 for this Agreement.

- ***Interview with Contract Representative***

Based on your lower than expected completion rate, Mr. Reeves inquired regarding the barriers that precluded Georgia-Pacific from performing better on this Agreement. Ms. Garcia reported that Georgia-Pacific's change in ownership, which took place heading into this Agreement, led to major changes and challenges that affected the company's training initiatives. Ms. Garcia explained that several training sessions were deferred due to business demands. She added although significant portions of training were delayed, Georgia-Pacific plans to continue providing key components of the training beyond the term of this Agreement.

Ms. Garcia reported that Georgia-Pacific did not experience any significant record keeping problems during the administration of this Agreement and she did not suggest any necessary changes to improve the process.

Despite the lower than expected completion rate, Ms. Garcia stated that key elements of the Blue Diamond Quality and World Class Maintenance training helped the company improve its manufacturing and quality standards.

***Breakdown and discussion of expected earnings:***

Ms. Garcia and Mr. Mangels provided Mr. Reeves with projected statistics for the closeout of this Agreement. Your project staff reported that you expect to retain a total of 55 trainees. The ETP Class/Lab Tracking system shows that 55 trainees completed at least the minimum 24 hours of training, for a cumulative total of 3,210.5 hours. At \$13 per training hour, total reimbursement would be \$41,736.50 or approximately 6% of the encumbered total, pending final verification of trainee eligibility.

As of the date of this meeting, your records show that 55 trainees have completed training and the 90-day retention period. Current records show that Georgia-Pacific has not submitted any invoices or received any progress payments. Your project staff reported that Georgia-Pacific expects final earning to match the projected \$41,736.50 amount noted above. Mr. Reeves reminded Ms. Garcia and Mr. Mangels that the closeout invoice should be submitted no later than 30 days after the end term date of the Agreement.

### **ATTENDANCE ROSTERS:**

Mr. Reeves reviewed multiple-date and daily attendance rosters for 28 trainees for the period covering February 2, 2006 through September 19, 2007. The training documented during this review included Manufacturing Skills and Continuous Improvement training from the approved curriculum. The review showed that the trainees completed 28 to 73 hours of class/lab training. The Analyst found that ETP requirements were met and properly documented. The review confirmed that the 1:20 trainer to trainee ratio was maintained.

These findings are based only on the training records reviewed during this visit and represent only a sample of the training records completed to date. It is your responsibility to ensure that 100 percent of all training records are in compliance with Panel requirements prior to the closeout of this Agreement (Reference: Title 22, California Code of Regulations, Section 4442).

### **AUDIT:**

Georgia-Pacific will be notified in writing if this agreement is selected for an audit that will be conducted either at your site (field audit) or by telephone if selected for a desk audit (or "review"). These notifications will be sent in advance to allow ample preparation time and will include a list of documentation that will be examined by the auditor. A list of the documentation typically examined during an audit will be included along with the Audit Notification and Audit Confirmation letters. To provide support of training, original training attendance documentation is required; photocopied records are not acceptable. Listed below are types of records typically requested during an ETP field audit:

- Training attendance records such as rosters, sign-in sheets, etc.
- Payroll records of individual trainees to verify wage and hours worked
- Personnel records regarding occupation and dates of employment
- Documentation of employer paid health benefits (if applicable)
- Cash receipts to verify receipt and accounting of ETP funds

### **RECORD RETENTION:**

Records must be retained within your control and be available for review at your place of business within the State of California. This responsibility will terminate no sooner than four (4) years from the date of the termination of the Agreement or three (3) years from the date of the last payment by ETP to the Contractor, or the date of resolution of appeals, audits, claims, exceptions, or litigation, whichever is later.

If you have any questions or comments regarding this report, please contact Mr. Reeves at (818) 755-3635 or by e-mail at [sreeves@etp.ca.gov](mailto:sreeves@etp.ca.gov) within ten (10) working days from the receipt of this report.

Sincerely,

*Signature on file*

Dolores Kendrick, Manager  
North Hollywood Regional Office

*Signature on file*

S. Mark Reeves, Contract Analyst  
North Hollywood Regional Office

cc: Kelley Garcia, Georgia-Pacific (via e-mail)  
Amy McDonald, Georgia-Pacific (via e-mail)  
Chris Mangels, TFP (via e-mail)  
David Guzman, Chief, Program Operations Division (via e-mail)  
Master File  
Project File

Date report mailed to Contractor \_\_\_\_\_